

**** Bill No. ****

Exhibit No. 1

Introduced By *****

Date 1/9/09

By Request of the *****

Bill No. SB30

A Bill for an Act entitled: "An Act revising the process for determining the statutory reimbursement rates for lodging for state employees; providing for increased reimbursement for nonreceiptable lodging and meals for state employees; revising the definition of "facility" in the context of the lodging facility use tax to off-set the revenue collection and distribution effects that would otherwise result from the revised reimbursement rates for lodging for state employees; directing the Department of Administration to amend existing Administrative Rules to reflect the effects of statutory changes to the threshold minimum average daily accommodation charge under which the lodging facility use tax does not apply; amending sections 2-18-501 and 15-65-101, MCA; and providing an effective date."

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 2-18-501, MCA, is amended to read:

"2-18-501. Meals, lodging, and transportation of persons in state service. All elected state officials, appointed members of boards, commissions, or councils, department directors, and all other state employees must be reimbursed for meals and lodging while away from the person's designated headquarters and engaged in official state business in accordance with the following provisions:

(1) Except as provided ~~under in~~ subsection (3), for travel within the state of Montana, lodging the following provisions apply:

(a) Lodging must be authorized at the actual cost of lodging, not exceeding \$35 per day the prescribed maximum federal rate for each day for the location, and taxes on the allowable cost of lodging, except as provided in subsection (3), ~~plus \$5 for the morning meal, \$6 for the midday meal, and \$12 for the evening meal.~~ All claims for lodging expense reimbursement allowed under this section must be documented by an appropriate receipt.

(b) Meal reimbursement for each meal may not exceed 72% of the minimum federal rate that is in effect on July 1 at the beginning of each biennium, rounded to the nearest dollar.

(2) Except as provided in subsection (3), for travel outside the state of Montana and within the United States, the following provisions apply:

(a) Lodging must be reimbursed at actual cost, not to exceed the prescribed maximum standard federal rate per each day for the location involved plus taxes on the allowable cost.

(b) Meal reimbursement may not exceed the prescribed maximum standard federal rate per for each meal.

(3) The department shall designate the locations and circumstances under which the governor, other elected state officials, appointed members of boards, commissions, or councils, department directors, and all other state employees may be authorized the actual cost of lodging when the actual cost exceeds the maximum established in subsection (1)(a) or (2)(a).

(4) For travel to a foreign country, the following provisions apply:

(a) All elected state officials, appointed members of boards, commissions, councils, department directors, and all other state employees must be reimbursed for the cost of meals and lodging within the rates established by the department of administration when traveling in the normal course of their duties to designated areas. The department shall use the United States department of state maximum travel per diem allowances for foreign areas in establishing the rates.

(b) All claims for lodging reimbursement allowed under this subsection (4) must be documented by an appropriate receipt.

(5) When other than commercial, nonreceiptable lodging facilities are used by a state official or employee while conducting official state business in a travel status, ~~the amount of \$12~~ an amount not to exceed 50% of the federal standard rate for each day that is in effect on July 1 at the beginning of each biennium is authorized for lodging expenses for each day in which travel involves an overnight stay in lieu of the amount authorized in subsection (1)(a) or (2)(a). However, when overnight accommodations are provided at the expense of a government entity, reimbursement may not be claimed for lodging.

(6) The actual cost of reasonable transportation expenses and other necessary business expenses incurred by a state official or employee while in an official travel status is subject to reimbursement.

(7) The provisions of this section may not be construed as affecting the validity of 5-2-301.

(8) The department of administration shall establish policies necessary to effectively administer this section for state government.

(9) All commercial air travel must be by the least expensive class service available."

{Internal References to 2-18-501:

1-12-101	2-6-402*	2-15-122*	2-15-122*
2-15-124*	2-15-124*	2-15-1013*	2-15-1028*
2-15-1205*	2-15-1521*	2-15-1771*	2-15-1820*
2-15-1869*	2-15-1869*	2-15-2017*	2-15-2021*
2-15-2108*	2-15-2217*	2-15-3004*	2-15-3330*
2-17-803*	2-18-502	3-1-1004*	3-1-1104*
3-1-1605*	3-2-104*	3-5-211*	3-5-213*
3-5-215*	3-5-602*	3-6-203*	3-10-203*
3-10-203*	3-10-209*	3-10-234*	3-11-202*
3-11-204*	3-11-205*	3-12-201*	5-2-302
5-5-211*	7-5-2146*	7-14-1103*	7-14-1622*
7-32-2144*	15-2-102*	15-15-101*	15-65-101
15-68-101	17-6-610	17-7-113*	19-20-202*

1 20-4-132* 20-25-212* 20-31-301* 22-1-102*
 2 22-3-804* 23-4-102* 27-6-203* 27-12-203*
 3 37-1-133* 37-43-201* 37-61-103* 39-71-201*
 4 40-5-906* 41-5-132* 44-1-203* 46-30-411*
 5 50-1-211* 50-4-810* 53-2-304* 53-19-304*
 6 67-11-104* 69-1-111* 75-6-212* 76-15-313*
 7 76-15-721* 80-2-202* 80-8-108* 80-11-203*
 8 80-11-305* 80-11-404* 80-11-510* 80-11-510*
 9 81-6-312* 85-7-1505* 85-7-1613* 87-1-228*
 10 87-1-403* 87-1-503* 87-5-505* 87-5-604*
 11 90-1-131* 90-1-405* 90-3-1005* 90-5-202*
 12 90-7-201* 90-9-201* 90-15-203* }

13

14 **Section 2.** Section 15-65-101, MCA, is amended to read:

15 **"15-65-101. Definitions.** For purposes of this part, the following definitions apply:

16 (1) "Accommodation charge" means the fee charged by the owner or operator of a
 17 facility for use of the facility for lodging, including bath house facilities, but excluding charges
 18 for meals, transportation, entertainment, or any other similar charges.

19 (2) (a) "Campground" means a place, publicly or privately owned, used for public
 20 camping where persons may camp, secure tents, or park individual recreational vehicles for
 21 camping and sleeping purposes.

22 (b) The term does not include that portion of a trailer court, trailer park, or mobile home
 23 park intended for occupancy by trailers or mobile homes for resident dwelling purposes for
 24 periods of 30 consecutive days or more.

25 (3) "Council" means the tourism advisory council established in 2-15-1816.

26 (4) (a) "Facility" means a building containing individual sleeping rooms or suites,
 27 providing overnight lodging facilities for periods of less than 30 days to the general public for
 28 compensation. The term includes a facility represented to the public as a hotel, motel,
 29 campground, resort, dormitory, condominium inn, dude ranch, guest ranch, hostel, public
 30 lodginghouse, or bed and breakfast facility.

31 (b) The term does not include any health care facility, as defined in 50-5-101, any facility
 32 owned by a corporation organized under Title 35, chapter 2 or 3, that is used primarily by persons
 33 under the age of 18 years for camping purposes, any hotel, motel, hostel, public lodginghouse, or
 34 bed and breakfast facility whose average daily accommodation charge for single occupancy does
 35 not exceed 60% of the amount authorized under 2-18-501 for the actual cost of lodging for travel
 36 within the state of Montana \$21, or any other facility that is rented solely on a monthly basis or
 37 for a period of 30 days or more.

38 (5) "Nonprofit convention and visitors bureau" means a nonprofit corporation organized
 39 under Montana law and recognized by a majority of the governing body in the city, consolidated
 40 city-county, resort area, or resort area district in which the bureau is located.

41 (6) "Regional nonprofit tourism corporation" means a nonprofit corporation organized

under Montana law and recognized by the council as the entity for promoting tourism within one of several regions established by executive order of the governor.

(7) "Resort area" means an area established pursuant to 7-6-1508.

(8) "Resort area district" has the meaning provided in 7-6-1531."

{Internal References to 15-65-101:
7-12-1121 7-12-1132 ok/ddb}

NEW SECTION. Section 3. Department to amend rule -- reason. (1) The department of administration shall amend ARM 42.14.102, et. seq., to reflect the revisions in [section 2] of this act to the threshold minimum average daily accommodation charge under which the lodging facility use tax does not apply. The department of administration shall amend ARM 42.14.102 ARM, et. seq., so that the amendment is effective on and after [the effective date of this act].

(2) Pursuant to section 2-4-412, MCA, the legislature's reasons for directing amendment to ARM 42.14.102, et. seq., include:

(a) that ARM 42.14.102, et. seq., currently in effect will, unless amended, conflict with the amendment to section 15-65-101, MCA, made in [section 2] of this act when [section 2] becomes effective;

(b) that when this act becomes effective, the amendment to section 15-65-101, MCA, made in [section 2] of this act will supercede ARM 42.14.102, et. seq.; and

(c) the effective date provided in [section 4] of this act requires that the amendments of ARM 42.14.102, et. seq., become effective no later than the effective date of this act.

NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 2009.

- END -

{Name : Dave Bohyer
Title : Research Director
Agency : Legislative Service Division
Phone : 444-3064
E-Mail : dbohyer@mt.gov}